

The Honorable Brian D. Lynch  
Chapter 7

IN THE UNITED STATES BANKRUPTCY COURT  
IN AND FOR THE WESTERN DISTRICT OF WASHINGTON AT TACOMA

In Re:	Bankruptcy No. 10-45608-BDL
SUSAN FAYE DONES,	Adversary No. 10-04338-BDL
Debtor.	
NXIVM CORPORATION, a Delaware corporation,	AMENDED COMPLAINT OBJECTING TO DISCHARGEABILITY AND DISCHARGE AND FOR RETURN OF PROPERTY AND FOR INJUNCTIVE RELIEF AND OTHER RELIEF
Plaintiff,	
v.	
SUSAN FAYE DONES,	
Defendant.	

Plaintiff NXIVM Corporation, by their attorneys Eisenhower & Carlson, PLLC, and O'Connell & Aronowitz, PC, by way of Amended Complaint against the defendant Susan Faye Dones, says:

**I. PARTIES**

1. Plaintiff NXIVM Corp., ("NXIVM") formerly known as Executive Success Programs, Inc., is a Delaware Corporation with its principal place of business in Albany, New York.

1           2.       Susan Faye Dones (“Defendant”) is an individual residing in Puyallup,  
2 Washington who filed her Chapter 7 petition in this District on July 9, 2010.

3           3.       A separately filed but related action has been filed by NXIVM against Kim  
4 Marie Woolhouse (“Woolhouse”), an insider, who filed her Chapter 7 petition on July 9,  
5 2010, Case No. 10-45609-PBS.  
6

7           4.       NXIVM is a scheduled creditor.

## 8                               **II.       JURISDICTION AND VENUE**

9           5.       This is an adversary proceeding in which NXIVM is objecting to the  
10 discharge of Defendant pursuant to Section 727(a) of the Bankruptcy Code; objecting to  
11 discharge of a debt pursuant to Section 523(a) of the Bankruptcy Code; and seeking  
12 possession of their property improperly held by the Defendant; and for injunctive and other  
13 relief.  
14

15           6.       This is a core proceeding over which this Court has jurisdiction pursuant to 28  
16 U.S.C. §157(b).

17           7.       Venue is proper in this district pursuant to 28 U.S.C. §1409(a).

## 18                               **III.       FACTS**

19           8.       NXIVM is a corporation that offers various training programs and courses to  
20 advance human potential and ethics through personal and professional development.

21           9.       Prior to the filing of her Chapter 7 case, Defendant participated in the  
22 instructional curriculum of NXIVM and thereafter was a participant in NXIVM.  
23

24           10.      Prior to the filing of her Chapter 7 case, Defendant participated in the  
25 instructional curriculum of NXIVM and thereafter was a coach.  
26

1 11. Prior to the filing of her Chapter 7 case, Defendant participated in the  
2 instructional curriculum of NXIVM and thereafter was an instructor.

3 12. Prior to the filing of her Chapter 7 case, Defendant participated in the  
4 instructional curriculum of NXIVM and thereafter was a Center Head.

5 13. Prior to the filing of her Chapter 7 case, Defendant participated in the  
6 instructional curriculum of NXIVM and thereafter was a senior member of NXIVM.

7 14. Prior to the filing of her Chapter 7 case, Defendant participated in the  
8 instructional curriculum of NXIVM and thereafter was an Independent Contractor who  
9 offered services to NXIVM.

10 15. NXIVM and Defendant have a fiduciary relationship.

11 16. When she began her course of instruction, Defendant signed a Confidentiality  
12 Agreement with Executive Success Programs, Inc., now known as NXIVM. See attached,  
13 **Exhibit A**, Confidentiality Agreement.

14 17. The Confidential Agreement states:

15  
16 “Proprietary and Confidential Information” includes all  
17 proprietary and confidential information generally associated  
18 with TRAINING and communicated to RECIPIENT during the  
19 course of an Instruction, said proprietary and confidential  
20 information pertaining to, *inter alia*, inventions, Improvements,  
21 copyrighted material, trademark material, Trade Secret  
22 material, software, hardware, technical information, business  
23 information, financial information, marketing information,  
24 information specifically identified to RECIPIENT as  
25 proprietary or confidential, and any information which  
26 RECIPIENT should reasonably regard as proprietary or  
confidential, wherein said proprietary or confidential  
information is communicated to RECIPIENT in the form of,  
*inter alia*, written materials, oral disclosures, verbal  
communications, visual communications, graphic materials,  
pictorial materials, data files, and software.

1           18. As reflected in the Confidentiality Agreement, Defendant gained access to  
2 proprietary and confidential information as defined in the Confidentiality Agreement, she  
3 agreed not to disclose the proprietary and confidential information to third parties, and she  
4 agreed to return all materials upon request.

5  
6           19. NXIVM's Program Applications contain the following language: "I  
7 UNDERSTAND THAT IF I CHOOSE TO LEAVE ESP, I MUST RETURN ALL  
8 COURSE-RELATED MATERIALS AND THAT MAKING USE OF SUCH MATERIALS  
9 AFTER LEAVING CONSTITUTES FRAUD." (Capital letters in the original).

10           20. Defendant signed several NXIVM Program Applications.

11           21. Despite Defendant's agreement to return NXIVM's materials as set forth in  
12 the Program Applications, Defendant failed to return said course-related materials.

13  
14           22. As a Center Head, Defendant had special access to NXIVM course material,  
15 including video DVD's, all participant and facilitator notes as well as proprietary information  
16 including a NXIVM client list, all of which is also protected under NXIVM's confidentiality  
17 agreement (see Paragraph titled "Definition" in Exhibit A").

18           23. Defendant took education courses from NXIVM, which she agreed to pay  
19 back at a later date.

20           24. Defendant, therefore, has an accrued debt owed to NXIVM.

21           25. Until about April 2009, the Defendant, along with Woolhouse, operated a  
22 NXIVM training center in the City of Tacoma, Washington ("Tacoma Center").

23           26. On April 24, 2009, the Defendant and others transmitted two e-mails, one to  
24 the Executive Board of NXIVM and others and another to Nancy Salzman and Keith Raniere  
25 ("April 24, 2009 emails" and/or "Extortion Emails").  
26

1           27.     Upon information and belief, Defendant was among the nine “signatories”  
2 designated in the April 24, 2009 emails and among several specifically named with itemized  
3 dollar amounts demanded.

4           28.     Upon information and belief, Defendant consented to the sending of the April  
5 24, 2009 emails on her behalf.

6           29.     Upon information and belief, Defendant did not protest the sending of the April  
7 24, 2009 emails on her behalf.

8           30.     Upon information and belief, Defendant participated, in some form, of the  
9 drafting of the April 24, 2009 emails.

10           31.     Upon information and belief, Defendant and/or others who were signatories to  
11 the April 24, 2009 emails consulted an attorney in drafting the April 24, 2009 emails.

12           32.     One of the two April 24, 2009 emails stated: “We are requesting a response to  
13 this letter by 11:59 PM, Saturday, April 25, 2009. We are requesting a written, signed,  
14 notarized contract agreeing to the below amounts by 11:59 PM, Sunday, April 26, 2009. We  
15 are requesting a Cashier’s Check for the total amount due of \$2,088,000 by Thursday, April  
16 30, 2009. If these requests are not met we will move forward by contacting the Press.”

17           33.     The April 24, 2009 e-mails were an attempt to extort over \$2.0 million from  
18 NXIVM and others.

19           34.     The extortion demand contained in the April 24, 2009 emails was rebuffed by  
20 NXIVM and others. See copy of correspondence dated April 26, 2009 from O’Connell &  
21 Aronowitz to the Defendant annexed as **Exhibit B**.

22           35.     Unsuccessful in the attempted extortion, Defendant thereafter carried out her  
23 threat and undertook a path of intentional, willful and malicious public disclosure of  
24  
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1 confidential and proprietary information of NXIVM.

2 36. Upon information and belief, Defendant's campaign to make public disclosures  
3 through the press, as threatened in the Extortion Emails, was executed through various  
4 communications with the media including newspapers, magazines, on-line media "blogs" and  
5 newsletters.  
6

7 37. Upon information and belief, Defendant has spoken to various third parties  
8 regarding NXIVM.

9 38. Thereafter, Defendant, together with Woolhouse and others, closed the  
10 Tacoma Center and willfully and maliciously destroyed NXIVM's goodwill in the  
11 Tacoma/Seattle area by, *inter alia*, communicating with the participants and coaches  
12 affiliated with the Tacoma Center, disparaging NXIVM and its curriculum, and discouraging  
13 any further participation by the participants and coaches in furtherance of the threat  
14 contained in the April 24, 2009 emails.  
15

16 39. The April 24, 2009 emails alleged that there were 120 clients and coaches and  
17 6 Proctors at the Tacoma Center. By the time that Tacoma Center was closed, there remained  
18 only eight (8) of the original clients.

19 40. NXIVM thus suffered the lost profits and intangible value from the Tacoma  
20 Center as well as continued losses from Defendant's disparagement and has continued her  
21 campaign of hate on a blog site and, on information and belief, with news publications.  
22

23 41. On April 21, 2009, Defendant met with Keith Raniere and eight (8) other  
24 members of NXIVM ("NXIVM 9").

25 42. On April 22, 2009, Defendant met with Keith Raniere and eight (8) other  
26 members of NXIVM.

1           43.     On April 23, 2009, Defendant met with Keith Raniere and eight (8) other  
2 members of NXIVM. (Collectively the “April 2009 Meetings”).

3           44.     Defendant was one of the “NXIVM 9”, who requested the meeting to discuss  
4 matters relating to NXIVM.

5           45.     Defendant was one of the “NXIVM 9”, who requested to videotape the April  
6 2009 Meetings (“Videotape”).

7           46.     The discussions, as contained on the Videotape, were identified to Defendant  
8 as proprietary or confidential information.

9           47.     Business information of NXIVM was discussed at the April 2009 Meetings.

10          48.     Financial information of NXIVM was discussed at the April 2009 Meetings.

11          49.     Defendant regarded the information at the April 2009 Meetings as proprietary  
12 or confidential.

13          50.     Defendant was given a Videotape of the April 2009 Meetings.

14          51.     Upon information and belief, Defendant understood that the contents of the  
15 Videotape were subject to the Confidentiality Agreement.

16          52.     Upon information and belief, Defendant acknowledged that the contents of the  
17 Videotape were subject to the Confidentiality Agreement.

18          53.     Upon information and belief, Defendant disclosed the Videotape to at least  
19 one third-party.

20          54.     Further, Defendant retained NXIVM’s proprietary and confidential  
21 information as well as its Client List for her own personal and financial gain notwithstanding  
22 a demand for its return. See correspondence from O’Connell & Aronowitz dated October 20,  
23 2009 annexed as **Exhibit C**.

1           55.     Upon information and belief, Defendant, together with and through  
2 Woolhouse, thereafter conducted her own classes and/or instruction at the Tacoma Center  
3 with the benefit of the NXIVM client list.   These classes were offered by Defendant and  
4 Woolhouse to the NXIVM Client List without the consent of NXIVM.  
5

6           56.     Upon information and belief, Defendant has used NXIVM's proprietary and  
7 confidential information for her own benefit since severing ties with NXIVM.

8           57.     Additionally, upon information and belief, Defendant participated in multiple  
9 group meetings where private and confidential information regarding NXIVM and NXIVM  
10 clients were revealed.

11           58.     Defendant participates with a group of former NXIVM members, and others  
12 persons, dubbing themselves "the Roses".

13           59.     Upon information and belief, one of the purposes of the "Roses" is to  
14 disseminate proprietary and/or confidential information about NXIVM.  
15

16           60.     Upon information and belief, one of the purposes of the "Roses" is to cause  
17 harm to NXIVM.

18           61.     Upon information and belief, one of the purposes of the "Roses" is to interfere  
19 with the business of NXIVM.  
20

21           62.     Upon information and belief, one of the purposes of the "Roses" is to interrupt  
22 the business of NXIVM.

23           63.     Upon information and belief, one of the purposes of the "Roses" is to damage  
24 the business of NXIVM.

25           64.     Upon information and belief, one of the purposes of the "Roses" is to destroy  
26 the business of NXIVM.



65. In Defendant’s bankruptcy filing, Schedule B, Personal Property, wrongfully and fraudulently scheduled “NXIVM Student List” as property of the debtor. What Defendant describes as “Student List” is referred to herein as “Client List.”

66. As a result of Defendant's actions, NXIVM suffered financial harm.

## CAUSES OF ACTION

**FIRST CAUSE OF ACTION**  
**(Embezzlement and Larceny, 11 U.S.C. §523(a)(4))**

67. NXIVM repeats and realleges the allegations of Paragraphs “1” to “66” as if set forth in their entirety.

68. Section 523(a)(4) of the Bankruptcy Code provides as follows:

(a) A discharge under 727 . . . of [the Bankruptcy Code] does not discharge an individual debtor from any debt

(4) for fraud or defalcation while acting in a fiduciary capacity, embezzlement or larceny.

69. The Defendant obtained the NXIVM Client List, and, after her voluntary severance from NXIVM, refused to return it but instead misappropriated it for her own benefit.

70. Despite receiving notice that Defendant was not entitled to use the Client List, she continued to withhold NXIVM's property, including the Client List, and other proprietary and confidential information in breach of the confidentiality agreement, to the exclusion and detriment of NXIVM. *See, Exhibit C.*

71. Defendant has acknowledged that NXIVM's proprietary and confidential information, including the client list, was acquired at great time and expense and has substantial value.

1           72. In fact, NXIVM's proprietary and confidential information and property has  
2 substantial value.

3           73. Defendant wrongfully and fraudulently retained NXIVM's proprietary and  
4 confidential information and property.  
5

6           74. Defendant wrongfully and intentionally failed to return NXIVM's proprietary  
7 and confidential information and property.

8           75. Defendant has and/or continues to intentionally, maliciously and fraudulently  
9 misuse and/or misappropriate NXIVM's proprietary and confidential information and  
10 property, all to the detriment of NXIVM.

11           76. NXIVM's client list has substantial value.

12           77. Defendant wrongfully and fraudulently retained NXIVM's client list.

13           78. Defendant wrongfully and intentionally failed to return NXIVM's client list.

14           79. Defendant has and/or continues to intentionally, maliciously and fraudulently  
15 misuse and/or misappropriate NXIVM's client list, all to the detriment of NXIVM.  
16

17           80. Defendant intentionally, fraudulently, willfully and wrongfully shared,  
18 conveyed and disseminated proprietary and confidential information, property of the  
19 NXIVM, to injure, damage, and destroy NXIVM.  
20

21           81. Defendant acted, and continues to act, in her own self-interest and at the  
22 expense of the NXIVM.

23           82. As a result, Defendant caused damages to NXIVM in an amount to be proven  
24 at trial.

25           83. NXIVM's damage claim (to be proven at trial) should be ordered non-  
26 dischargeable pursuant to 11 U.S.C §523

**SECOND CAUSE OF ACTION**  
**(Willful and Malicious Injury, 11 U.S.C. §523(a)(6))**

84. NXIVM repeats and realleges the allegations of Paragraphs “1” to “83” as if set forth in their entirety.

85. Section 523(a)(6) of the Bankruptcy Code provides as follows:

(a) A discharge under 727 . . . of [the Bankruptcy Code] does not discharge an individual debtor from any debt . .

(6) for willful, malicious injury by the debtor to another entity or to the property of another entity.

86. The actions of Defendant were willful and malicious.

87. Defendant knowingly, intentionally, willfully and maliciously disseminated and shared propriety and/or confidential information she acquired and gained while a member of NXIVM.

88. Defendant has and/or continues to intentionally, willfully, or maliciously misuse and/or misappropriate NXIVM’s proprietary and confidential information all to the detriment of NXIVM.

89. Defendant has and/or continues to intentionally, willfully or maliciously misuse and/or misappropriate NXIVM’s client list all to the detriment of NXIVM.

90. Defendant has and/or continues to intentionally, willfully, and maliciously share, convey, and disseminate proprietary and confidential information of NXIVM.

91. Defendant was obligated by contract and by virtue of her contractual agreement and position, to keep confidential all of the proprietary and confidential information and property of NXIVM.

1           92. Defendant's contractual and fiduciary obligations prohibited her from  
2 disseminating and sharing any and all confidential and proprietary information and property  
3 of NXIVM.

4           93. Upon learning of NXIVM's refusal to comply with Defendant's attempted  
5 larceny by extortion, Defendant, as threatened in the Extortion Emails, embarked on  
6 campaign to publicly disparage and damage the NXIVM through false and defamatory  
7 statements, and through misuse and disclosure of propriety and confidential information.  
8

9           94. Defendant has disclosed proprietary information to third parties, which  
10 includes, but is not limited to, the Videotape.

11           95. Defendant has made wrongful and/or malicious disclosures, directly or  
12 indirectly, on internet blogs and websites and to reporters and/or the media.  
13

14           96. The above actions demonstrate Defendant acted with willfulness and malice.

15           97. Defendant's dissemination of NXIVM's proprietary and confidential  
16 information was done to harm and damage NXIVM and resulted in a loss to the NXIVM.

17           98. NXIVM had an expectation of continued relationships with its existing client  
18 base as well as prospective clients.

19           99. Defendant's intentional acts to damage NXIVM's good will were without  
20 justification and were intended to (and did) cause harm to NXIVM's existing client base and  
21 expectation of prospective clients.  
22

23           100. The Defendant, as evidenced by the Extortion Emails, sent to NXIVM and  
24 others, intended to do harm to NXIVM unless NXIVM paid monies to the Defendant.

25           101. The monies the Defendant claimed owed to her were not owed and the  
26 Defendant knew this, as evidenced by her not scheduling any such claims in her bankruptcy

1 Schedules and Statement of Affairs.

2 102. Upon NXIVM's rebuffing her threats, Defendant has since carried out the  
3 threats set forth in the Extortion Emails; Defendant has posted articles and comments on a  
4 blog site which openly disparages and threatens NXIVM and its members.  
5

6 103. Additionally, Defendant and Woolhouse personally contacted participants  
7 from NXIVM's Client List and disparaged NXIVM to these members.

8 104. Defendant has intentionally and willfully breached the Confidentiality  
9 Agreement with the intent to cause harm to NXIVM.

10 105. The deliberate destruction of the Tacoma Center by Defendant and  
11 Woolhouse were undertaken in retaliation against NXIVM with intent to financially harm  
12 NXIVM and was a willful and malicious act in furtherance of the April 24, 2009 e-mails.  
13

14 106. As a result of Defendant's actions, NXIVM suffered financial injury.

15 107. Defendant is liable to NXIVM for the damages NXIVM has sustained, and  
16 this liability should be ordered non-dischargeable pursuant to 11 U.S.C §523(a)(6).

17 108. NXIVM reserves the right to other claims set forth under the 11 U.S.C §523.

18 **AS AND FOR A THIRD CAUSE OF ACTION**

19 **(Denial of Discharge Pursuant to 11 U.S.C. §727(a)(2))**

20 109. NXIVM repeats and realleges the allegations set forth in paragraphs "1"  
21 through "108" as if more fully set forth herein.  
22

23 110. Section 727(a)(2) of the Bankruptcy Code provides as follows:

- 24 (a) The court shall grant the debtor a discharge, unless—  
25 (2) the debtor, with intent to hinder, delay, or defraud a  
26 creditor. . . has transferred, removed, destroyed mutilated or  
conceal property of the Debtor, or permitted to be transferred,  
removed, destroyed, mutilated or concealed –

1 (A) property of the debtor, within one year before the date  
2 of the filing of the petition.

3 111. Defendant scheduled NXIVM's Client List (stated as a "Student List") in her  
4 Schedule B as property of Defendant ascribing a zero value asset.

5 112. The value of the NXIVM client list was, at the time of Defendant's separation  
6 from NXIVM, a valuable asset.

7 113. Defendant has destroyed the value of the Client List with the intent to hinder,  
8 delay and defraud NXIVM in furtherance of the expressed intention in the April 24, 2009  
9 emails.  
10

11 114. Alternatively, if the Client List has a substantial value, then the scheduling of  
12 the list with an ascribed value of zero is an attempt to conceal and/or transfer that asset away  
13 from NXIVM.

14 115. The Debtor's discharge should be denied pursuant to Section 727(a)(2).  
15

16 **FOURTH CAUSE OF ACTION**  
**(Knowing and False Oaths pursuant to 11 U.S.C. §727(a)(4) and (a)(7))**

17 116. NXIVM repeats and realleges the allegations of Paragraphs "1" to "115" as if  
18 set forth herein in their entirety.  
19

20 117. Upon information and belief, Defendant knowingly and fraudulently made a  
21 false oath in this case.

22 118. Under penalty of perjury, Defendant certified that her bankruptcy Schedules  
23 herein were true and correct to the best of Defendant's knowledge, information and belief,  
24 when in truth and in fact, as Defendant knew, omitted assets of Defendant.  
25  
26

1           119. As provided in 28 U.S.C. §1746, such unsworn certification had like force and  
2 effect as an oath.

3           120. In Schedule B, Personal Property, Question No. 24, Defendant lists “NXIVM  
4 Client List” with a zero value.

5           121. The NXIVM Client List, as well as all written materials and copies thereof  
6 provided by NXIVM are trade secrets and property of NXIVM and are subject to the  
7 Confidentiality Agreement signed by Defendant.

8           122. The Client List is valuable (it is not worth zero) and confidential, its contents  
9 are not generally known to the public and NXIVM has reasonably undertaken to keep such  
10 information confidential and private. As defined in the Confidentiality Agreement (See  
11 Exhibit A):

12                   “Trade Secret” material includes any information and materials  
13                   that are valuable to CONTRACTOR, and not generally known  
14                   by CONTRACTOR’S competitors. Trade secrets are essential  
15                   assets of CONTRACTOR acquired at great time and expense.

16           123. The first false oath made by Defendant is that the Client List is worth zero.

17           124. The second false oath made by Defendant is that the Client List is her  
18 property.

19           125. The Client List is property of NXIVM, not Defendant, and is proprietary and  
20 confidential information protected by the Confidentiality Agreement. *See, Exhibit A.*

21           126. Further, Defendant omitted a substantial claim against NXIVM which she  
22 identified in the Extortion Email.

23           127. Such a claim against NXIVM was identified within the bankruptcy petition  
24 and schedules of Woolhouse and constitutes a separate basis for objection to discharge  
25  
26

1 pursuant to 11 U.S.C. §727(a)(7).

2 128. While NXIVM submits that such a claim is frivolous, Defendant asserted such  
3 clam in her Extortion Email, and Defendant's omission from her Bankruptcy Schedules  
4 indicates, on information and belief, her intention to conceal that alleged asset from the  
5 Trustee and assert such a claim after the bankruptcy case has been concluded.  
6

7 129. Additionally, on information and belief, Defendant was a named beneficiary  
8 in the Last Will and Testament of Dorcas Suzanne Kemp who died on August 26, 2009 as a  
9 resident of the State of New York.

10 130. Defendant, along with Kim Woolhouse, was identified in the said Last Will  
11 and Testament to receive certain antiques and other personal property.  
12

13 131. Defendant has failed and omitted to schedule any such personal property  
14 received from the Estate of Dorcas Suzanne Kemp in her schedules or in her statement of  
15 financial affairs.

16 132. Defendant has knowingly and fraudulently in or in connection with the case  
17 made a false oath or account as set forth in 11 U.S.C. §727(a)(4)(A). Defendant knew the  
18 statements she made under oath were false, she made those statements with fraudulent intent  
19 and the statements related materially to the bankruptcy case.  
20

21 133. The discharge of Defendant should be denied under Section 727(a)(4) and  
22 727(a)(7).

23 134. NXIVM reserves the right to assert other claims set forth under the 11 U.S.C  
24 §727.

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**FIFTH CAUSE OF ACTION**  
**(Return of Property)**

135. NXIVM repeats and realleges the allegations of Paragraphs "1" to "134" as if set forth in their entirety.

136. The NXIVM Client List as well as any other materials in any media format (written, DVD, ipod, tape recording, flip charts, video tapes etc..) or copies thereof pertaining to NXIVM are property of NXIVM pursuant to the Confidentiality Agreement entered into by Defendant.

137. Defendant holds no property interest or rights in the said property and at best, holds it in trust for NXIVM.

138. Demand has been made for its return but has been refused.

139. The Defendant should be compelled to return the NXIVM Client List to NXIVM, along with any other materials and NXIVM property, including alterations and improvements (per NXIVM's agreement as set forth in Exhibit A), in her possession, including an inventory of any and all materials pertaining to NXIVM in any media format (written, DVD, ipod, tape recording, flip charts, videotapes, etc.) Defendant may have distributed to any third party, including Woolhouse, and account for any distributions of these confidential materials.

**SIXTH CAUSE OF ACTION**  
**(Injunctive Relief)**

140. NXIVM repeats and realleges the allegations of Paragraphs "1" to "139" as if set forth in their entirety.

1           141.     The Confidentiality Agreement signed by Defendant defines NXIVM's  
2 proprietary and confidential information as follows:

3                   “Proprietary and Confidential Information” includes all  
4 proprietary and confidential information generally associated  
5 with TRAINING and communicated to RECIPIENT during the  
6 course of an Instruction, said proprietary and confidential  
7 information pertaining to, *inter alia*, inventions, Improvements,  
8 copyrighted material, trademark material, Trade Secret  
9 material, software, hardware, technical information, business  
10 information, financial information, marketing information,  
11 information specifically identified to RECIPIENT as  
12 proprietary or confidential, and any information which  
RECIPIENT should reasonably regard as proprietary or  
confidential, wherein said proprietary or confidential  
information is communicated to RECIPIENT in the form of,  
*inter alia*, written materials, oral disclosures, verbal  
communications, visual communications, graphic materials,  
pictorial materials, data files, and software.

13           142.     Paragraph 3 of the Confidentiality Agreement provides for non-disclosure of  
14 Confidential Information:

15                   Nondisclosure

16  
17                   In consideration for disclosure of Proprietary and Confidential  
18 Information to RECIPIENT, RECIPIENT agrees to protect  
19 such Proprietary and Confidential Information against  
20 disclosure to any Third Party/Parties. RECIPIENT also agrees  
21 to safeguard Proprietary and Confidential Information with the  
22 same degree of care as RECIPIENT would normally use to  
23 protect his/her own Proprietary and Confidential Information,  
but in no case with anything less than reasonable degree of  
care. RECIPIENT agrees that, without CONTRACTOR's prior  
written consent obtained within the preceding 30 days and said  
prior written consent has not been revoked by  
CONTRACTOR, RECIPIENT will not:

- 24                   (a)     disclose or make available in any way Proprietary and  
25                   Confidential Information to any Third Party;  
26                   (b)     make, have made, or permit to have made any copies,  
records, or other reproductions of Proprietary and  
Confidential Information; or

(c) make any commercial or personal use of Proprietary and Confidential Information, including, *inter alia*, use for: therapy, teaching, consulting, entertainment, business activity, conflict resolution, personal development, family activity and relationship enhancement.

143. Paragraph 10 of the Confidentiality Agreement provides for injunctive relief to restrain Defendant from breaching the provisions of the Confidentiality Agreement:

Injunctive Relief.

RECIPIENT recognizes and acknowledges that any breach of this Agreement by RECIPIENT may cause irreparable harm to CONTRACTOR, for which monetary damages may be inadequate. **RECIPIENT agrees that CONTRACTOR shall be entitled to an injunction to restrain RECIPIENT from any such breach, suspected breach, or threatened breach.** Nothing in this Agreement shall be construed as preventing CONTRACTOR from pursuing any other form of remedy at law or in equity for any such breach, suspected breach, or threatened breach.

(Emphasis added.)

144. On about October 23, 2010, Defendant caused certain confidential and proprietary information, including the Videotape, which contained portions of conversations between Keith Raniere, NXIVM's founder and several of NXIVM 9 discussing internal operations of NXIVM, to be distributed and disseminated, directly or indirectly, to The New York Post, a New York City newspaper, adversaries to NXIVM and to other on-line "blogs."

145. On or about October 23, 2010, the New York Post published a portion of the Videotape in misleading fashion with a sensational headline: "Creepy Cultist's Killing Confession."

146. The said distribution and dissemination of Videotape or a portion thereof was

1 in breach of the Confidentiality Agreement.

2 147. The publication of the Videotape, depicting NXIVM in a misleading and false  
3 light, caused irreparable injury to NXIVM.

4 148. NXIVM seeks to restrain and enjoin Defendant from any further distribution  
5 and/or dissemination, directly or indirectly, of any and all other Proprietary and Confidential  
6 Information, as defined in the Confidentiality Agreement, to any Third Party, as defined in  
7 the Confidentiality Agreement, including but not limited to news media including magazines,  
8 newspapers or internet "blogs" of NXIVM in any media format or oral conversation,  
9 including but not limited to written, CDs, DVD, ipod, tape recordings, and flip charts which  
10 are subject to the provisions of the Confidentiality Agreement, as stated above.  
11  
12

13 **PRAYER FOR RELIEF**

14 WHEREFORE, the NXIVM demands judgment against Defendant as follows:

- 15 (1) on the First Cause of Action, judgment denying Defendant's  
16 discharge from her debt to NXIVM pursuant to 11 U.S.C.  
17 §523(a)(4);  
18  
19 (2) on the Second Cause of Action, judgment denying Defendant's  
20 discharge from her debt to the NXIVM pursuant to 11 U.S.C.  
21 §523(a)(6);  
22  
23 (3) on the Third Cause of Action, judgment denying Defendant's  
24 discharge pursuant to 11 U.S.C. §727(a)(2);  
25  
26 (4) on the Fourth Cause of Action, judgment denying Defendant's  
discharge pursuant to 11 U.S.C. §727(a)(4) and (a) and (7);

- 1 (5) On the Fifth Cause of Action, an Order directing Defendant to  
2 return the property of the NXIVM to NXIVM;  
3 (6) On the Sixth Cause of Action, an Order granting preliminary and  
4 permanent injunctive relief in favor of NXIVM;  
5  
6 (7) for interest, costs and attorneys' fees; and  
7 (8) for such other and further relief as this Court may deem just and  
8 proper.

9 Dated: November 8, 2010

10 EISENHOWER & CARLSON, PLLC

11  
12 By /s/ Terrence J. Donahue  
13 Terrence J. Donahue, WSBA #15193  
Attorneys for Plaintiff

14 and

15 O'CONNELL & ARONOWITZ, PC

16  
17 By (see attached)  
18 Richard Weiskopf  
Attorneys for Plaintiff

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**VERIFICATION**

NANCY SALZMAN declares pursuant to 28 U.S.C. §1746 as follows:

1. I am President of NXIVM Corporation, the Plaintiff herein and I am duly authorized to make this Declaration.

2. I have read the foregoing Amended Complaint and it is true to my knowledge except as to matters therein stated to be alleged on information and belief and as to those matters, I believe them to be true.

I declare that the foregoing statements are true under penalty of perjury this 8th day of November 2010.

*(see attached)*

\_\_\_\_\_  
NANCY SALZMAN

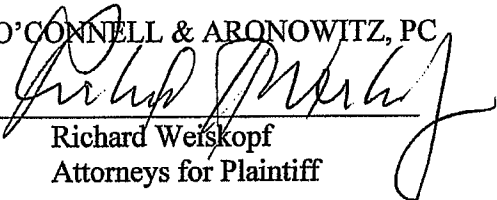
- (5) On the Fifth Cause of Action, an Order directing Defendant to return the property of the NXIVM to NXIVM;
- (6) On the Sixth Cause of Action, an Order granting preliminary and permanent injunctive relief in favor of NXIVM;
- (7) for interest, costs and attorneys' fees; and
- (8) for such other and further relief as this Court may deem just and proper.

Dated: November 8, 2010

EISENHOWER & CARLSON, PLLC

By /s/ Terrence J. Donahue  
Terrence J. Donahue, WSBA #15193  
Attorneys for Plaintiff

and

O'CONNELL & ARONOWITZ, PC  
By   
Richard Weiskopf  
Attorneys for Plaintiff

#1500095

**VERIFICATION**

NANCY SALZMAN declares pursuant to 28 U.S.C. §1746 as follows:

3. I am President of NXIVM Corporation, the Plaintiff herein and I am duly authorized to make this Declaration.

4. I have read the foregoing Amended Complaint and it is true to my knowledge except as to matters therein stated to be alleged on information and belief and as to those matters, I believe them to be true.

I declare that the foregoing statements are true under penalty of perjury this 8th day of November 2010.

  
NANCY SALZMAN



# **EXHIBIT A**

Dones, Susan

### CONFIDENTIALITY AGREEMENT

This Agreement, effective December 27, 2000, is among:  
First Principles, Inc. with a principal place of business at

\_\_\_\_\_  
Executive Success Programs, Inc. with a principal place of business at

\_\_\_\_\_  
Nancy Salzman with a residence or principal place of business at

\_\_\_\_\_  
Keith Raniere with a residence or principal place of business at

\_\_\_\_\_, and  
\_\_\_\_\_ with a residence or principal place of business at  
\_\_\_\_\_.

WHEREAS "CONTRACTOR" refers to each and every of: First Principles, Inc.,  
Executive Success Programs, Inc., Nancy Salzman, and Keith Raniere;

WHEREAS "RECIPIENT" refers to Susan Dones; and

WHEREAS CONTRACTOR has a legitimate and protectable interest in protecting its  
Proprietary and Confidential Information relating to its programs, said programs including, *inter alia*,  
workshops and education, and said programs hereafter called "TRAINING".

NOW, THEREFOR, for good and valuable consideration set forth herein,  
CONTRACTOR and RECIPIENT agree as follows.

#### 1. Definition

"Proprietary and Confidential Information" includes all proprietary and confidential  
information generally associated with TRAINING and communicated to RECIPIENT during the  
course of an Instruction, said proprietary and confidential information pertaining to, *inter alia*,  
inventions, Improvements, copyrighted material, trademark material, Trade Secret material,  
software, hardware, technical information, business information, financial information,  
marketing information, information specifically identified to RECIPIENT as proprietary or  
confidential, and any information which RECIPIENT should reasonably regard as proprietary or  
confidential, wherein said proprietary or confidential information is communicated to  
RECIPIENT in the form of, *inter alia*, written materials, oral disclosures, verbal  
communications, visual communications, graphic materials, pictorial materials, data files, and  
software.

"Instruction" includes communication of information relating to TRAINING, to RECIPIENT by Discloser, said communication occurring orally, in written form, graphically, pictorially, visually, by sound, by data transmission, by conveyance of property, or demonstratively.

"Discloser" includes CONTRACTOR's officer or director, CONTRACTOR's agent or employee, or other person, authorized by CONTRACTOR to disclose Proprietary and Confidential Information to RECIPIENT.

"Trade Secret" material includes any information or materials that are valuable to CONTRACTOR, and not generally known by CONTRACTOR's competitors. Trade secrets are essential assets of CONTRACTOR acquired at great time and expense.

"Improvements" shall mean (a) any modification of the Proprietary and Confidential Information that performs the same or similar function in a better or more economical manner; (b) any beneficial modification or addition of material used in conjunction with Proprietary and Confidential Information; or (c) anything that performs the same or a similar function as the Proprietary and Confidential Information.

"Third Parties" shall mean all persons other than Discloser and RECIPIENT, said all persons including, but not limited to, RECIPIENT's family members, friends, employees, employers, agents, representatives, associates, and co-workers.

## 2. Exclusions

Proprietary and Confidential Information does not include any Information which:

(a) was in RECIPIENT's possession or was known to RECIPIENT, without an obligation to maintain confidentiality of said Information, before said Information was disclosed to RECIPIENT as Proprietary and Confidential Information, and such possession or knowledge is shown in a prior written record;

(b) is or becomes lawfully available to RECIPIENT from a source other than Discloser, and through no fault of RECIPIENT, wherein the source has a lawful right to disclose said Proprietary and Confidential Information to RECIPIENT;

(c) was independently developed by, or for, RECIPIENT prior to this Agreement, and such independent development is shown in a prior written record; or

(d) is disclosed by RECIPIENT following CONTRACTOR's prior written consent, said disclosure limited to a time period stated in said prior written consent, and only if said prior written consent has not been revoked by CONTRACTOR.

HIGHLY  
CONFIDENTIAL

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### 3. Nondisclosure

In consideration for disclosure of Proprietary and Confidential Information to RECIPIENT, RECIPIENT agrees to protect such Proprietary and Confidential Information against disclosure to any Third Party/Parties. RECIPIENT also agrees to safeguard Proprietary and Confidential Information with the same degree of care as RECIPIENT would normally use to protect his/her own proprietary and confidential Information, but in no case with anything less than a reasonable degree of care. RECIPIENT agrees that, without CONTRACTOR's prior written consent obtained within the preceding 30 days and said prior written consent has not been revoked by CONTRACTOR, RECIPIENT will not:

(a) disclose or make available in any way Proprietary and Confidential Information to any Third Party;

(b) make, have made, or permit to have made any copies, records, or other reproductions of Proprietary and Confidential Information; or

(c) make any commercial or personal use of Proprietary and Confidential Information, including, *inter alia*, use for: therapy, teaching, consulting, entertainment, business activity, conflict resolution, personal development, family activity, and relationship enhancement.

### 4. Improvements

RECIPIENT agrees to promptly (within 30 days) disclose to CONTRACTOR any Improvements which were conceived of or made by RECIPIENT during the course of an Instruction, or within two years following the latest Instruction received by RECIPIENT.

### 5. Term

This Agreement, and RECIPIENT's duty to maintain confidentiality of Proprietary and Confidential Information, shall remain in effect until:

(a) all of the above described Proprietary and Confidential Information becomes public knowledge, through no fault of RECIPIENT; or

(b) RECIPIENT receives written notice from CONTRACTOR releasing RECIPIENT from this Agreement.

### 6. No Rights Granted

RECIPIENT understands and agrees that this Agreement in no way constitutes a grant, or any intention or commitment to grant any right, title or interest in Proprietary and Confidential Information to RECIPIENT.

### 7. CONTRACTOR's Rights

Under the terms of this Agreement, CONTRACTOR is the sole owner of, and is entitled to the exclusive use, sale, manufacture, reproduction, modification, and disclosure of:

(a) all materials and information created by, or for, CONTRACTOR in preparation for, in the course of, or in connection with, an Instruction;

(b) any modifications or improvements made by, or for, CONTRACTOR in preparation for, in the course of, or in connection with, an Instruction; and

(c) any improvements, materials, and information, in connection with Proprietary and Confidential Information, made by RECIPIENT in preparation for, in the course of, or in connection, with an Instruction.

8. Return of Materials

Upon CONTRACTOR's request, RECIPIENT shall promptly (within 30 days) return all original materials provided by Discloser to RECIPIENT, and any copies, records, extensions, derivations, or notes made thereof or therefrom, in RECIPIENT's possession pertaining to Proprietary and Confidential Information.

9. Warranty

CONTRACTOR warrants that Discloser has the right to make the disclosures under this Agreement. CONTRACTOR makes no further warranty with regard to RECIPIENT's use and/or success as a result of receiving Proprietary and Confidential Information, disclosed during the course of an Instruction.

10. Injunctive Relief

RECIPIENT recognizes and acknowledges that any breach of this Agreement by RECIPIENT may cause irreparable harm to CONTRACTOR, for which monetary damages may be inadequate. RECIPIENT agrees that CONTRACTOR shall be entitled to an injunction to restrain RECIPIENT from any such breach, suspected breach, or threatened breach. Nothing in this Agreement shall be construed as preventing CONTRACTOR from pursuing any other form of remedy at law or in equity for any such breach, suspected breach, or threatened breach.

11. Attorney Fees

In the event any legal action arises relating to this Agreement, the prevailing party is entitled to recover all court costs, expenses and reasonable attorney fees.

12. Integration and Modification

This Agreement embodies the entire understanding of RECIPIENT and CONTRACTOR with respect to the subject matter herein. All additions and modifications to this Agreement must be made in a writing, signed by both RECIPIENT and CONTRACTOR, unless Provision 13 applies.

13. Non-Material Modifications

Upon written notice to RECIPIENT, CONTRACTOR may make any subsequent change to this Agreement, unless RECIPIENT informs CONTRACTOR in a signed written response to said written notice, within 7 days of RECIPIENT's receipt of said written notice: that said subsequent change would materially affect RECIPIENT's right and duties under this Agreement; and how said subsequent change would materially affect RECIPIENT's right and duties under this Agreement.

14. Applicable Law

This Agreement shall be deemed to be a contract made under the laws of the state of New York, and for all purposes shall be interpreted and construed in its entirety in accordance with the laws thereof. Disputes arising out of this Agreement shall be determined in a court of the state of New York.

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CONFIDENTIAL

P000005655

15. Invalidity

If any portion of this Agreement is adjudicated to be invalid or unenforceable in the governing jurisdiction, the remainder shall be enforceable against CONTRACTOR or RECIPIENT, and the invalid or unenforceable portion shall be reformed, if possible, to be as close to the invalid or unenforceable portion as enables said reformed portion to be valid and enforceable, and said reformed portion shall reflect a most favorable interpretation of the invalid or unenforceable portion, both in letter and inferences to the advantage of CONTRACTOR.

16. Section Headings

The headings of the numbered sections of this Agreement are for convenience only and ease of reference only, and shall not be deemed to alter or effect any provision of this Agreement.

17. Consideration

In consideration for disclosure of Proprietary and Confidential Information to RECIPIENT, RECIPIENT shall protect such Proprietary and Confidential Information in accordance with Provision 3 of this agreement.

---

IN WITNESS THEREOF, CONTRACTOR and RECIPIENT intending to be legally bound hereby execute this Agreement.

RECIPIENT

By: Susan F. Dones Date: 12/27/00  
Printed Name: Susan F. Dones  
Title:

Witness: (Lisa Derks) Date: 12/27/00  
Printed Name: Lisa Derks

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**First Principles, Inc.**

By: \_\_\_\_\_ Date:

Printed Name:

Title:

Witness: \_\_\_\_\_ Date:

Printed Name:

**Executive Success Programs, Inc.**

By: \_\_\_\_\_ Date:

Printed Name:

Title:

Witness: \_\_\_\_\_ Date:

Printed Name:

**Nancy Salzman**

By: \_\_\_\_\_ Date:

Printed Name:

Title:

Witness: \_\_\_\_\_ Date:

Printed Name:

**HIGHLY  
CONFIDENTIAL**

**P000005657**

**Keith Raniere**

By: \_\_\_\_\_ Date:

Printed Name:

Title:

Witness: \_\_\_\_\_ Date:

Printed Name:

**HIGHLY  
CONFIDENTIAL**

**P000005658**

Page 7 of 7



# **EXHIBIT B**

# O'CONNELL AND ARONOWITZ

ATTORNEYS AT LAW

54 STATE STREET, ALBANY, NEW YORK 12207-2501

(518) 462-5601 FAX: (518) 462-2670

www.oalaw.com info@oalaw.com

206 WEST BAY PLAZA, PLATTSBURGH, NEW YORK 12901

(518) 562-0600 FAX: (518) 562-0657

April 26, 2009



EDWARD J. O'CONNELL 1925-39  
SAMUEL E. ARONOWITZ 1925-73  
LEWIS A. ARONOWITZ 1951-79

## VIA EMAIL AND CERTIFIED MAIL

Susan Dones  
4001 72nd St E  
Tacoma, Washington 98443

Re: Matters involving NXIVM

Dear Ms. Dones:

We have received an email dated April 24, 2009 from Barbara Bouchev that contained your signature and was addressed to Keith Raniere and Nancy Salzman. This email which you were carbon copied demanded, in the nature of a "request", \$2,088,000 from NXIVM. As you know, the email contained language that "If these requests are not met, we will move forward by contacting the press." The contents of this email constitute extortion and coercion in violation of the New York Penal Law. As you know, NXIVM has notified the authorities regarding these threats. As a result of your violations and participation in Ms. Bouchev's email, NXIVM is pursuing all civil and criminal remedies available. Please also be advised that if you carry out your threats, you do so with actual knowledge of your conduct and the potential consequences for all involved.

We also demand that you refrain from any further contact with Mr. Raniere or Ms. Salzman until your personal differences have been resolved. Please direct all further contact with the undersigned, or Stephen Coffey and/or Pamela Nichols of my office.

Very truly yours,

O'CONNELL AND ARONOWITZ

By:

Andrew R. Safranko

ARS

cc: NXIVM

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CORNELIUS D. MURRAY  
NEIL H. RIVCHIN  
PETER DANZIGER  
FRED B. WANDER  
STEPHEN R. COFFEY  
JEFFREY J. SHERRIN  
WILLIAM A. FAVREAU  
THOMAS J. DI NOVO  
NANCY SCIOCCCHETTI  
PAMELA A. NICHOLS  
MARK G. RICHTER  
DONALD W. BIGGS  
JAMI DURANTE ROGOWSKI  
TINA CHERICONI VERSACI  
HEIDI DENNIS  
ANDREW R. SAFRANKO  
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KELLY J. MIKULLITZ  
KATHRYN E. JERIAN  
SARA B. FEDELE  
ERIN R. MINDORO  
CHARLES C. DUNHAM IV  
BRIAN T. ONOFRY  
DEAN C. SCHNELLER  
KRISTOFER S. MICHAUD

FRANCESCA SOMMER\*  
(HEALTH CARE AND  
REGULATORY ADVISOR)  
\*NOT A MEMBER OF THE LEGAL  
PRACTICE

# **EXHIBIT C**

# O'CONNELL AND ARONOWITZ

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54 STATE STREET, ALBANY, NEW YORK 12207-2501

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EDWARD J. O'CONNELL 1925-39  
SAMUEL E. ARONOWITZ 1925-73  
LEWIS A. ARONOWITZ 1951-79

October 20, 2009

## VIA E-MAIL

Susan Dones  
4001 72nd Street East  
Tacoma WA 98443

**Re: Matters Involving NXIVM**

Dear Ms. Dones:

I am writing in response to your correspondence to Mr. Safranko, and more particularly, your most recent e-mail of October 15, 2009. I am writing to you directly and not to Terry Devine, Esq., based on your assurance that Mr. Devine is no longer representing you in this case.

Pursuant to the Confidentiality Agreement you signed on December 27, 2000, you agreed to promptly (within 30 days) return all original materials provided to you and to return as well any copies, records, extensions, derivations or notes in your possession. You have failed to comply within this thirty day period and I request that you immediately return the materials to my office either by certified mail or federal express. While I understand that you have made requests for accounting information and payment of fees, which will be discussed below, these requests are wholly unrelated to your independent and contractual obligation to return the materials to NXIVM and you have no basis to withhold this property which does not belong to you.

If you choose not to return the materials, you are in direct breach of the Confidentiality Agreement and, pursuant thereto, may be liable for money damages including attorneys fees. If you would like to review your Confidentiality Agreement, I will make it available to you for inspection in my offices at a mutually agreeable time. I do not intend to provide a copy to you unless compelled to do so by a Court. Please contact me immediately to make arrangements to deliver these materials and I will make the arrangements to pay for shipping.

CORNELIUS D. MURRAY  
NEIL H. RIVCHIN  
PETER DANZIGER  
FRED B. WANDER  
STEPHEN R. COFFEY  
JEFFREY J. SHERRIN  
WILLIAM A. FAYREAU  
THOMAS J. DINOVO  
NANCY SCIOCCHETTI  
PAMELA A. NICHOLS  
MARK G. RICHTER  
DONALD W. BIGGS  
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TINA CHERICONI VERSACI  
HEIDI DENNIS  
ANDREW R. SAFRANKO  
JANE BELLO BURKE  
TIMOTHY S. HART  
KEVIN P. HICKEY

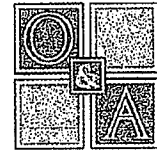
## OF COUNSEL

RICHARD H. WEISKOPF  
MICHAEL P. McDERMOTT  
DAVID R. ROSS  
JAMES A. SHANNON

KURT E. BRATTEN  
WILLIAM F. BERGLUND  
ROBYN B. EISEN  
KELLY J. MIKULLITZ  
KATHRYN E. JERIAN  
SARA B. FEDELE  
ERIN R. MINDORO  
CHARLES C. DUNHAM IV  
DEAN C. SCHNELLER

FRANCESCA SOMMER\*  
(HEALTH CARE AND  
REGULATORY ADVISOR)  
\*NOT A MEMBER OF THE LEGAL  
PRACTICE

O'CONNELL AND ARONOWITZ  
ATTORNEYS AT LAW



Page 2

October 20, 2009

Upon receipt of the NXIVM materials, we will contact you with respect to the remaining requests in your letter. We will not address those issues until you have complied with your contractual agreement. In addition, please be advised that we do not intend to comply with any false deadlines which are not enforceable by law.

Thank you for your attention to this matter.

Very truly yours,

O'CONNELL AND ARONOWITZ

By:

A handwritten signature in cursive script, appearing to read 'Pamela Nichols', written over a horizontal line.

Pamela A. Nichols

PAN

cc: NXIVM

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The Honorable Brian D. Lynch  
Chapter 7

IN THE UNITED STATES BANKRUPTCY COURT  
IN AND FOR THE WESTERN DISTRICT OF WASHINGTON AT TACOMA

In Re:

SUSAN FAYE DONES,

Debtor.

Bankruptcy No. 10-45608-BDL

Adversary No. 10-04338 - BDL

PROOF OF SERVICE

NXIVM CORPORATION, a Delaware  
corporation,

Plaintiff,

v.

SUSAN FAYE DONES,

Defendant.

I, Nicole Frey, declare as follows:

I am a legal assistant with the law firm of Eisenhower & Carlson, PLLC and am  
competent to be a witness herein.

On November 9, 2010, I sent out for service upon the below-listed parties at the  
addresses and in the manner described below, the following documents:

- Amended Complaint Objecting to Dischargeability and Discharge and for Return of  
Property and for Injunctive Relief and Other Relief;
- Proof of Service.

PROOF OF SERVICE - 1

00463438.DOC

**EISENHOWER**  
EISENHOWER & CARLSON, PLLC

1200 Wells Fargo Plaza  
1201 Pacific Avenue  
Tacoma, WA 98402  
Tel: 253.572.4500  
Fax: 253.272.5732

1 2 3 4 5 6 7 8	Susan Faye Dones 616 9 <sup>th</sup> Ave. SW Puyallup, WA 98371	<input checked="" type="checkbox"/>	First-Class Mail, Postage Prepaid
9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26	Mr. Daniel R. Tiffany Lombino Martino, P.S. 10009 59 <sup>th</sup> Avenue SW Lakewood, WA 9849  <a href="mailto:dan.tiffany@lombinomartino.com">dan.tiffany@lombinomartino.com</a>	<input checked="" type="checkbox"/>	ECF Notification
	United States Trustee's Office  <a href="mailto:ustpreion18.se.ecf@usdoj.gov">ustpreion18.se.ecf@usdoj.gov</a>	<input checked="" type="checkbox"/>	ECF Notification

I declare under the penalty of perjury under the laws of the state of Washington that the foregoing is true and correct.

Dated at Tacoma, Washington this 9<sup>th</sup> day of November, 2010.

/s/ Nicole Frey  
NICOLE FREY

PROOF OF SERVICE - 2

00463438.DOC

**EISENHOWER**  
EISENHOWER & CARLSON, PLLC

1200 Wells Fargo Plaza  
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